ESTIMATED REVENUE EFFECTS OF H.R. 3762, THE "PENSION SECURITY ACT OF 2002"

Fiscal Years 2002 - 2012

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
Improvements in Pension Security														
Periodic pension benefits statements Protection from suspensions, limitations, or	pybo/a 1/1/03						- Negligibl	e Revenu	e Effect -					
restrictions on ability of participant or beneficiary to direct or diversify plan assets	pybo/a 1/1/03						- Negligibl	e Revenu	e Effect -					
Informational and educational support for pension plan fiduciaries [1] Diversification requirements for defined	pybo/a 1/1/03						No R	evenue E	ffect					
contribution plans that hold employer securities	[2]						- Negligibl	e Revenu	e Effect -					
investment advice	[3]						- Negligibl	e Revenu	e Effect -					
Study regarding impact on retirement savings of participants and beneficiaries by requiring consultants to advise plan fiduciaries of individual														
account plans	DOE						No R	evenue E	ffect					
7. Treatment of qualified retirement planning services	tyba 12/31/02		-13	-24	-25	-22	-23	-25	-28	-30	-33	-27	-107	-261
Total of Improvements in Pension Security	•		-13	-24	-25	-22	-23	-25	-28	-30	-33	-27	-107	-261
Amendments to Retirement Protection Act of 1994 Pension plan reporting simplification [4] Improvement to Employee Plans Compliance	pyba 12/31/01 pybo/a 1/1/02						· No R	evenue E	ffect					
Resolution System [4]4. Flexibility in nondiscrimination, coverage, and line of	DOE													
business rules [4] 5. Extension to all governmental plans of moratorium on application of certain nondiscrimination rules	DOE						- Negligibl	e Revenu	e Effect -					
applicable to State and local plans	pyba 12/31/02													
6. Notice and consent period regarding distributions	yba 12/31/02													
7. Annual report dissemination [1]	yba 12/31/02													
8. Technical corrections to Saver Act [1]	DOE	[0]			[0]	[0]		evenue E			[0]			
Missing participants [1] Reduce PBGC premium for new and small plans;	[5]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
reduce additional PBGC premium for new and	pfea 12/31/02 &													
small plans [1]	yba 12/31/02			-3	-5	-6	-7	-7	-7	-8	-8	-8	-21	-59
overpayment refunds [1]	iafpbnet DOE		-3	-3	-3	-3	-3	-3	-3	-3	-3	-3	-15	-30
12 Rules for substantial owner benefits in terminated														

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
13. Benefit suspension notice	pyba 12/31/02													
15. Interest rate range for additional funding requirements for the 2001 plan year [7]	[8] DOE	994	964	-259 	-664 	-479 	-324	-459 Revenue L	-490	-273	-79	-4	232	-1,073
Total of Other Provisions Relating to Pensions		994	961	-265	-672	-488	-334	-469	-500	-284	-90	-15	196	-1,162
Stock Options - Exclusion of Incentive Stock Options and Employee Stock Purchase Plan Stock Options From Wages [9]	[10]		-1,771	-2,283	-2,086	-2,224	-2,165	-2,382	-2,330	-2,496	-2,652	-2,803	-10,529	-23,192
Social Security Held Harmless	DOE No Revenue Effect													
NET TOTAL		994	-823	-2,572	-2,783	-2,734	-2,522	-2,876	-2,858	-2,810	-2,775	-2,845	-10,440	-24,615

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

DOE = date of enactment iafpbnet = interest accruing for periods beginning not earlier than noitta = notice of intent to terminate after pfea = plans first effective after pyba = plan years beginning after pybo/a = plan years beginning on or after tyba = taxable years beginning after yba = years beginning after

- [1] Estimate provided by the Congressional Budget Office and is preliminary and subject to change.
- [2] Plan years beginning after 12/31/02, and with respect to employer securities allocated to accounts before, on, or after DOE.
- [3] Effective with respect to investment advice provided on or after January 1, 2003.
- [4] Directs the Secretary of the Treasury to modify rules through regulations.
- [5] Effective for distributions made from terminating plans that occur after the PBGC has adopted final regulations implementing provisions.
- [6] Loss of less than \$500,000.
- [7] Includes estimated effects on PBGC variable-rate premiums provided by Congressional Budget Office.
- [8] Effective as if included in section 405 of the "Job Creation and Worker Assistance Act of 2002."
- [9] There is uncertainty with respect to the potential revenue effects from the proposal. Due to the long-standing administrative position of the IRS with respect to the imposition of employment taxes on incentive stock options and employee stock purchase plans, the level of compliance that can be expected with the revised IRS position is unclear.
- [10] Effective for stock acquired pursuant to statutory stock options exercised after the date of enactment.